



**Jourdan Janik**  
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**BP Exploration & Production Inc.**

Gulf of Mexico Region  
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Houston, Texas 77079  
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December 15, 2020

***via E-mail***

Fieldwood Energy, LLC.  
2000 W. Sam Houston Pkwy. South  
Houston, TX 77042  
Attn: Mr. Nathan Vaughn

Houston Energy Deepwater Ventures I, LLC  
1415 Louisiana Street, Suite 2400  
Houston, TX 77002  
Attn: Mr. David Amend

Red Willow Offshore, LLC  
1415 Louisiana Street, Suite 3650  
Houston, TX 77002  
Attn: Mr. Rex Richardson

RE: Galapagos LSPS Sole Benefit Operation Proposal  
LSPS Single Flowline Feasibility Study  
AFE No. NKO393392  
Mississippi Canyon Area  
Gulf of Mexico

Gentlemen:

Reference is hereby made to that certain Galapagos Area Loop Subsea Production System Construction and Operating Agreement dated effective December 1, 2011 (as amended) by and between BP Exploration & Production Inc. ("BP"), Fieldwood Energy, LLC. ("Fieldwood"), Red Willow Offshore, LLC ("Red Willow") and Houston Energy Deepwater Ventures I, LLC ("HEDVI"), (the "LSPS COA"). Reference is also made to the Genovesa single flowline plans developed and submitted by Fieldwood to BP on November 3, 2020 (and further supplemented on November 17, 2020, November 30, 2020 and December 7, 2020), collectively referred to herein as the ("Fieldwood Single Flowline Plans"). Capitalized terms not defined herein shall have the meaning set forth in the LSPS COA.

As the Parties discussed in the recent December 4, 2020 co-owner meeting, BP has imminent plans to conduct an operation on the LSPS SC PLEM #2 wherein it will tighten all bolts on the SLDV1 valve gasket seal in an effort to remediate the leak observed April 14, 2020. This operation is being captured under a separate AFE from the subject of this proposal. At this time, BP's intent is to execute said operation and perform testing to evaluate the effectiveness of this work.

In furtherance to the desire expressed by Fieldwood, Red Willow and HEDVI (collectively referred to herein as the "MC 519 Producing Parties"), BP understands that the MC 519 Producing Parties desire to progress the evaluation of a single flowline option on the LSPS (to enable production from the Genovesa well) in tandem with the previously mentioned bolt tightening activity. BP (in its capacity as LSPS Operator) is willing to perform analysis on the technical feasibility of converting the eastern portion of the LSPS into a single flowline to enable production from the Genovesa well and MC 519 Satellite Lease, while also taking into consideration the Fieldwood Single Flowline Plans previously shared. Given the nature of this feasibility study will be of sole benefit to the MC 519 Producing Parties, BP will treat the study as a Sole Benefit Operation pursuant to the terms of the LSPS COA.

**BP Exhibit 9**

20-33948 (MI)

In furtherance to the above, attached for the MC 519 Producing Parties' review and approval is the subject AFE in the gross amount of \$500,000 for costs related to BP's evaluation of the conversion of eastern portion of the LSPS into a single flowline for the benefit of the Genovesa well. Given the work contemplated under this AFE is being treated as a Sole Benefit Operation, Equity Interests on the AFE have been adjusted to reflect the MC 519 Producing Parties bearing the full cost of the study. In addition to the AFE, BP has included a cost, time, resource ("CTR") document for further information regarding the cost breakdown. Further information regarding the scope and deliverables of this work are contained in the attached AFE.

Finally, please note that the proposed activity under this AFE is only to evaluate the technical feasibility of converting the eastern portion of the LSPS into a single flowline and not a proposal to execute any activity. Should it be determined this activity is technically feasible by BP in its capacity as LSPS Operator, any execution activity would be subject to a separate proposal made pursuant to the terms of the LSPS COA.

Please signify your respective responses to this proposal by having an authorized representative execute the attached AFE in the "CO-OWNER APPROVAL" section and return to my attention. In order to facilitate the commencement of the work contemplated in this AFE, BP respectfully requests your prompt response to this proposal.

Should you have any questions or concerns, please contact the undersigned at (832) 772 – 5325.

Regards,



Jourdan Janik

Enclosures



## BP GOM AUTHORIZATION FOR EXPENDITURE

External AFE

DATE PREPARED:	December-20	FINANCIAL MEMO KEY ID:	72021
OPERATOR:	BP	AFE NO:	NK03
LEASE/UNIT/FACILITY:	Na Kika	START DATE:	December-20
WELL NAME/NO:	N/A	END DATE:	March-21
BUSINESS UNIT:	GOM	OPERATING FIELD:	Na Kika
BP WORKING INTEREST:		SURFACE LOCATION:	N/A
JOINT VENTURE NO:	100023	BOTTOM HOLE LOC:	N/A
SAP COST CENTER:	16NKG01A00	PRPSD TOTAL DEPTH:	N/A

<b>AFE Type:</b>	Co-Owner Approval Required
<b>SAP NO:</b> H-SIPMONKNBC	
<b>COPAS Overhead - Required</b>	
Operating / Expense	
<b>WELL TYPE - If Applicable</b>	
[ Select One ]	
[ Select One ]	
[ Select One ]	

PROJECT DESCRIPTION/COMMENTS	Project Name: NK - GALAPAGOS LSPS Single Line Feasibility Study
<p>This AFE covers costs associated with performing a feasibility study for single leg operation of the Galapagos LSPS Loop.</p> <p><u>Scope:</u> The single leg feasibility study scope covers the technical assessment of the changes required for single leg operation, with a focus on the following areas: flow assurance strategy, regulatory impacts, topsides and subsea equipment modifications, and offshore execution readiness.</p> <p><u>Cost:</u> Costs include technical services and vendor support to assess single leg operation(s), evaluated the impact on the operation of the LSPS, review of proposed changes to equipment, and subsequent development of the related cost and schedule for offshore execution.</p> <p><u>Schedule:</u> The single leg feasibility study is planned to be completed by end of February 2021</p> <p><u>Project Justification:</u> Evaluation of the single flowline leg option will be progressed in parallel of the in-situ repair scopes as a contingency option. The goal of the study is to determine the technical feasibility to execute and if there will be any adverse impact on the operation of the LSPS. Execution of any single flowline or LSPS remediation option will be subject to a separate proposal to be submitted pursuant to the LSPS agreement.</p>	

WORKING INTEREST OWNERS	Final WI %	WI COST	NOTES
BP	0.00000%	\$0	
Fieldwood	58.38854%	\$291,943	
Red Willow	34.24389%	\$171,219	
Houston Energy Deepwater	7.36757%	\$36,838	
<b>Total</b>	<b>100.00%</b>	<b>Total Costs \$500,000</b>	

DESCRIPTION	ESTIMATED COST	
	Gross	Net
Technical Services	\$500,000	
Procurement	\$0	
Installation	\$0	
Logistics	\$0	
<b>TOTAL PROJECT COST*</b>	<b>\$500,000</b>	<b>\$0</b>

PROJECT CONTACTS:	NAME	TITLE
	Madhav Parimi	Subsea OPS Project Manager
	Justin Hermeston	Subsea OPS Project Engineer

**\*NOTICE TO NONOPERATOR:** Costs shown are estimates only. Nonoperators should not consider these estimates as establishing any limit on the monies which will be required to perform the proposed operation. Overhead will be charged in accordance with the Joint Operating Agreement.

**CO-OWNER APPROVAL:** YES \_\_\_\_\_ NO \_\_\_\_\_ DATE: \_\_\_\_\_

COMPANY NAME / NONOPERATOR: \_\_\_\_\_

PRINT NAME: \_\_\_\_\_ TITLE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

### BP APPROVALS:

	PRINT NAME	SIGNATURE	DATE
PROJECT SPA:	Justin Hermeston	<i>Justin Hermeston</i>	12/10/2020
BUSINESS MANAGER:	Kamil Gurses	<i>Kamil Gurses</i>	12/10/2020
FINANCIAL DELEGATION:	Madhav Parimi	<i>Madhav Parimi</i>	12/10/2020
GOM CONTROLLER:	Ellie Teed	<i>Ellie Teed</i>	12/10/2020

DocuSigned by: *Justin Hermeston*

DocuSigned by: *Kamil Gurses*

DocuSigned by: *Madhav Parimi*

DocuSigned by: *Ellie Teed*

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Project Name: NK - GALAPAGOS LSPS Single Line Feasibility Study		DSP
Vendor	Service	SOW
WBS Description	Desc. of Materials/Services	Cost Estimate
Technical Services		\$ 350,000
BP	Technical Services	\$ 350,000
Engineering & Inspection		\$ 150,000
Wood	Engineering Support - Technical Review, Planning and Risk Assessments	\$ 50,000
CI	Engineering Support - Offshore Readiness	\$ 100,000
Project Total		\$ 500,000